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January 18, 2007

VIA HAND-DELIVERY

The Honorable Robert C. Jones United States District Judge District of Nevada 333 S. Las Vegas Blvd. Las Vegas, Nevada 89101



Dear Judge Jones:

Pursuant to this Court's August 6, 2004 Order, The SCO Group, Inc. ("SCO") respectfully submits this ninety-day status report to apprise the Court of events occurring since our last update (on October 16, 2006) in certain other actions.

1. The SCO Group, Inc. v. International Business Machines Corporation, Case No. 2:03CV0294 DAK (D. Utah)

Summary Judgment Motions

On January 12, 2007, the parties submitted reply briefs for their respective summary judgment motions. The Court has set oral argument on the motions for March 1, 5, and 7, 2007.

Other Pending Motions

On January 18, 2007, the Court heard oral argument on SCO's Motion for Relief for IBM's Spoliation.

On October 24, 2006, the Court heard oral argument on SCO's Objections to Magistrate Judge Wells' Order of June 28, 2006, that granted in part IBM's motion to limit SCO's claims related to allegedly misused materials. By an Order dated November 29, 2006, the Court affirmed and adopted Magistrate Judge Wells' Order. On December 13, 2006, SCO filed a motion for reconsideration of the Court's November 29 Order.

On November 30, 2006, Judge Wells granted IBM's Motion to Confine SCO's Claims to, and Strike Allegations in Excess of, the Final Disclosures. On December 14, SCO filed its

Objections to that ruling. On January 9, 2007, after Judge Wells had issued a written Order on December 21, SCO submitted its memorandum in support of its Objections.

Scheduling Issues

During the hearing on October 24, 2006, the Court also vacated the trial date of February 27, 2007, to allow for the pending summary judgment motions to be argued and decided. In its Order of November 29, 2006, the Court stated that it would set a new trial date after deciding those motions and the dispositive motions in the <u>SCO v. Novell</u> case.

2. The SCO Group, Inc. v. Novell, Inc., Case No. 2:04CV00139 (D. Utah)

As previously reported, on October 4, 2006, SCO filed its Motion for Expedited Stay or Continuance to Respond to Novell's Motion for Partial Summary Judgment or Preliminary Injunction, and to Extend Fact Discovery. On October 24, the Court granted SCO an extension to oppose Novell's motion until December 11, and extended fact discovery to February 1, 2007. The Court also set a schedule for that motion, including an argument date of January 23, 2007.

By its October 24 Order, the Court also vacated the remaining pre-trial and trial deadlines and asked the parties to submit a new scheduling order including pre-trial deadlines consistent with a new dispositive motion deadline of March 14, 2007, and a new trial date of September 17, 2007.

3. Red Hat, Inc. v. The SCO Group, Inc., Case No. 03-772-SLR (D. Del.)

As Your Honor knows, the Court in the <u>Red Hat</u> case has stayed that action <u>sua sponte</u>. Since our last letter to this Court, the parties in that case have submitted additional ninety-day updates to that Court.

Respectfully submitted,

Richard J. Pocker

cc: James Pisanelli, Esq. (via hand-delivery) David S. Stone, Esq. (via facsimile)